

122 FERC ¶ 61,058
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

January 25, 2008

In Reply Refer To:
Xcel Energy Services, Inc.
Docket No. ER05-699-004

Mr. Kevin Frank, Esq.
Attorney for Xcel Energy Services
Morgan, Lewis & Bockius, LLP
1111 Pennsylvania Avenue, NW
Washington, DC 20004

Dear Mr. Frank:

1. On November 1, 2007, you filed an Offer of Settlement on behalf of Xcel Energy Services, Inc. and the NSP Companies,¹ and Southern Minnesota Municipal Power Agency (jointly “Parties”). The Settlement resolves the Parties’ dispute over the cost-responsibility for certain Midwest Independent Transmission System Operator, Inc. (MISO) charges under MISO’s Open Access Transmission and Energy Markets Tariff Schedule 10.² Commission Trial Staff filed comments in support of the Settlement on November 21, 2007. No other comments were filed. On December 17, 2007, the Settlement was certified to the Commission as uncontested.
2. The Settlement resolves all of the issues between the Parties in the above referenced docket. The Settlement is fair, reasonable, and in the public interest and is hereby approved. Commission approval of the Settlement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding.

¹ The NSP companies are Northern States Power Company (a Minnesota corporation) and Northern States Power Company (a Wisconsin corporation), wholly owned subsidiaries of Xcel Energy Inc., for which Xcel Energy Services Inc. is the service company.

² The Schedule 10 charges at issue are associated with a specific grandfathered agreement, GFA No. 378, and were incurred from May 10, 2005 through April 1, 2006.

3. The applicable standard of review specified in the Settlement for any modifications that are not agreed to by the parties, including the Commission acting *sua sponte*, is the “just and reasonable” standard of review. The Commission retains the right to investigate the rates, terms and conditions under the just and reasonable and not unduly discriminatory or preferential standard of section 206 of the Federal Power Act, 16 USC § 824e (2000).

4. This order terminates Docket No. ER05-699-004.

By direction of the Commission.

Kimberly D. Bose,
Secretary.

cc: All parties of record